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Editorial: Greentown utility rates out of control

As Tribune reporter Carson Gerber reported in his front page story Wednesday, Greentown residents are feeling the increasingly forceful pinch to their pocketbooks due to water and sewer rates.

The problem began two years ago, when the town council voted to increase the wastewater rate 81 percent to fund a \$5.5 million project to upgrade the town's wastewater facility.

But it came to a head earlier this year after councilmembers hiked the water rate 56 percent.

The story of 19-year Greentown resident Peggy Mallaber, who relocated to Kokomo last year over the sewer rate increase, could become an increasingly common one.

More than 100 residents asked the council last week to allow Indiana American Water to complete an assessment to find out what residents would pay if the state's largest water utility took over the town's water and wastewater treatment plant. We look forward to the council's next meeting Tuesday when this item is discussed.

These dramatic utility hikes aren't just hurting residents, but also the Eastern Howard School Corp. In 2011, the school district paid \$46,600 for water and sewage. The next year, that bumped up to \$51,500. In 2013, after the town council implemented the 81 percent wastewater hike, the school's bill spiked to \$74,760.

And after the 56 percent increase in the water rate took effect in July, Superintendent Tracy Caddell expects Eastern will shell out \$78,000 this year and even more next year.

The council needs to seriously reconsider these water and sewer utilities. The people the council represents are experiencing hardship. Sewer and water rates are up at levels for which these folks have no context.

If you don't address this problem and quickly, councilmembers, property values will plummet. Potential homebuyers will compare bills to those of other areas. With rates like these, they can't afford not to. More and more people are going to move, and there will be less and less incentive for new buyers to enter a market with such a high built-in cost for something they can't avoid using. This sort of thing makes homes less attractive to those who might otherwise be tempted to enter the market.

This is negatively impacting the school district, residents and businesses. Look at the big picture, town council. This problem isn't going away.